

Federally approved local cost allocation plan will be considered to result in a reasonable and transparent cost allocation, but may still need to be reviewed to assure that allocation of specific cost items meets the special revenue retention requirements applicable to airport revenue under 49 U.S.C. 47107(b).

3. Each item of cost must be treated consistently either as a direct or an indirect cost, and the method of allocation must not permit a cost item to be charged both directly and indirectly.

4. A charge to the airport under a local cost allocation plan must be charged to all comparable users of a service equally.

5. The general costs of government, such as costs of the city council, may not be allocated to the airport.

C. Permitted Uses of Airport Property

Making airport property available at less than fair market rental for public community uses, for the purpose of maintaining positive airport-community relations, can be a legitimate function of an airport proprietor in operating the airport. Accordingly, in certain circumstances, providing airport land for such purposes (other than to the sponsor itself) will not be considered a violation of 49 U.S.C. 47107(b) or 47107(a)(13), which requires an airport proprietor to maintain an airport rate structure that makes the airport as self-sustaining as possible. Generally, the circumstances in which below-market use of airport land for community purposes will be considered consistent with the grant assurances are:

1. The community use of the property can be justified as benefiting the airport, and

2. The property involved would not reasonably be expected to produce substantial income at the time the community use is contemplated. The greater the difference between the fair rental value of the property and the actual amount of the lease, the greater the burden of showing an airport-related benefit.

Making airport property available at less than fair market rental for public transit terminals, right-of-way, and related facilities will not be considered a violation of 49 U.S.C. 47107(b) or 47107(a)(13) if the transit system is publicly owned and operated (or operated by contract on behalf of the public owner), and the facilities are directly related to the transportation of air passengers and airport visitors and employees to and from the airport.

D. Consideration of Lawful Diversion of Revenues in Awarding Discretionary Grants

Airport owners or operators who lawfully divert airport revenue in accordance with the "grandfather" provision should be aware that 49 U.S.C. 47115(f) requires the Secretary of Transportation to consider such usage as a factor militating against the approval of an application for discretionary funds when, in the airport's fiscal year preceding the date of application for discretionary funds, the Secretary finds that the amount of revenues used by the airport for purposes other than capital or operating costs exceeds the amount used for such purposes in the airport's first fiscal year ending after August 23, 1994, adjusted by the Secretary for changes in the Consumer Price Index of All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

VIII. Prohibited Uses of Airport Revenue

Prohibited uses of airport revenue include but are not limited to:

A. Direct or indirect payments, other than payments that reflect the value of services and facilities provided to the airport, that are not based on a reasonable, transparent cost allocation formula calculated consistently for other comparable units or cost centers of government.

B. Use of airport revenues for general economic development, marketing, and promotional activities unrelated to airports or airport systems;

C. Payments in lieu of taxes, or other assessments, that exceed the value of services provided or are not based on a reasonable, transparent cost allocation formula calculated consistently for other comparable units or cost centers of government;

D. Payments to compensate nonsponsoring governmental bodies for lost tax revenues exceeding stated tax rates;

E. Loans of airport funds to a state or local agency at less than the prevailing rate of interest.

F. Land rental to, or use of land by, the sponsor for nonaeronautical purposes at less than the amount that would be charged a commercial tenant, consistent with Paragraph VII.C. of this policy.

G. Impact fees assessed by a nonsponsoring governmental body that the airport sponsor is not obligated to pay or that exceed such fees assessed against commercial or other governmental entities;

H. Expenditure of airport funds for support of community activities and participation in community events, or for support of community-purpose uses of airport property, unless the expenditure is directly to the operation or marketing of the airport;

I. Direct subsidy of air carrier operations.

J. Indirect payment for the general costs of government (but not including billing for specific services provided to the airport).

Issued in Washington, DC, on December 11, 1996.

Susan L. Kurland,

Associate Administrator for Airport.

[FR Doc. 96-32019 Filed 12-17-96; 8:45 am]

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Federal Highway Administration

Intelligent Transportation Society of America; Public Meeting

AGENCY: Federal Highway Administration (FHWA).

ACTION: Correction of Meeting Date in "Date" Category.

SUMMARY: Notice of the meeting of the Intelligent Transportation Society of America Board of Directors was published in the Federal Register on December 10, 1996, page 65101. The meeting date listed in the "Summary" category is correct. The "Date" category should read: "The Board of Directors of ITS AMERICA will meet on Thursday, January 16, 1997, from 1 p.m.-5 p.m. [Eastern Standard Time]." Issued on: December 13, 1996.

Jeffrey Lindley,

Deputy Director, ITS Joint Program Office.

[FR Doc. 96-32086 Filed 12-17-96; 8:45 am]

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Federal Railroad Administration

Notice of Application for Approval of Discontinuance or Modification of a Railroad Signal System or Relief From the Requirements of Title 49 CFR Part 236

Pursuant to Title 49 CFR Part 235 and 49 U.S.C. App. 26, the following railroads have petitioned the Federal Railroad Administration (FRA) seeking approval for the discontinuance or modification of the signal system or relief from the requirements of Title 49 CFR Part 236 as detailed below.

Block Signal Application (BS-AP)-No. 3410

Applicant: CSX Transportation, Incorporated, Mr. E.G. Peterson, P.E.,